Local and international partnerships for local dairy value chains

During a webinar organised by Inter-réseaux on 10 September 2021, three dairies talked about their experiences partnering with dairy farmers: the Banfora mini-dairy in Burkina Faso; the industrial dairy TIVISKI in Mauritania; and the Senegalese group Kirène, which is a franchise of the French cooperative Sodiaal. While they all face common challenges and share common values, each dairy has set up unique solutions that are specifically tailored to their environment. Here are three complementary initiatives that have sparked innovation for the development of the value chain at regional level.

**Massive imports of milk are the common enemy**

Milk is a symbol of the region’s food dependency as well as the paradox on which that dependency is based. With over 460 million head of livestock in the region, the production potential (for dairy and meat) is enormous. And yet over a fifteen-year period, the region’s dairy imports have risen from 1.2 to 2.5 billion litres of milk equivalent a year, which represents over 500 billion FCFA (or 760 million euros) a year. Maryam Abiederrahmane says that the decision to create TIVISKI was based on the following observation: “In a country where there are more livestock than people, importing milk is an aberration, and local milk is delicious. We wanted to make that milk accessible without needing to venture into the countryside.”

**Distinct and complementary partnership models**

Each company has developed specific organisations and partnerships to overcome these constraints: for the Banfora mini-dairy this involved taking on the cooperative form and creating a framework for dialogue through the dairy innovation platform; for TIVISKI it involved first developing a network of loyal farmers and organising collection, and then testing a company with jointly held capital; for Kirène it involved creating a franchise with the brand Candia of the French cooperative Sodiaal. Each company was therefore able, at different scales, to secure the loyalty of a network of dairy farmers, boost their income and improve milk quality. Complementing one another at regional level, they provide solutions that are adapted to each dairy production zone. Mini-dairies offer interesting opportunities in isolated rural areas. They stimulate the local economy by preserving, processing and marketing milk locally, while enjoying strong potential for growth. Intermediate models, such as TIVISKI and Kirène/Sodiaal, target a denser urban market. TIVISKI also has its eyes on the local market far from the capital, with the creation of a company with jointly held capital.

**Local roots and endogenous development**

Something else all three companies have in common: local roots and a deep understanding of the cultural context with regard to both production and consumption. TIVISKI faced resistance from farmers in Mauritania, where selling milk was considered a taboo and was thought to bring calamity. The company made a point of ensuring collection without regard to family loyalties in order to guarantee the quality of the product. Downstream, distributors and consumers needed to be taught how to keep milk fresh and why local production is important. Kirène is currently developing the collection of milk in the western and central-western regions of Senegal, where there is extensive livestock farming but no dairy-farming culture. Since local packaged and/or processed dairy products are relatively new in the region, an understanding of endogenous dynamics is an essential key to success when it comes to securing the trust and arousing the interest of farmers and consumers. Dja-karija Sirima (of the Banfora mini-dairy) says: “It is essential to promote endogenous development so as not to undermine the cultural and local contributions.” Sodiaal also believes that “it is the local establishments that create development.” Lastly, local roots go hand in hand with dialogue, collaboration and human relationships (that sometimes go beyond business). The three companies have found ways to manage the differences of interest that are expressed every now and then, sometimes with vehemence.

**What support is available for scaling up?**

“The goal of the Banfora mini-dairy is not to die mini,” says Mr Sirima, and Maryam Abyderahmane recalls that TIVISKI was once just a small processing facility. The evolution of the dairy sector depends in large part on the development of professional skills among local actors. But to scale up, companies and value chains need to be supported by coordinated public and regional policies, which must take into account the sometimes competing interests of the different actors in the value
The dairy innovation platform (APESS)

• A framework allowing herders, collectors and processors to work together
• Supported by researchers and by technical and financial partners
• Training, equipment, provision of inputs on credit

Farmer loyalty, higher production and year-round collection, minimum price, local approach with small herders, sharing equipment.

Quality of milk, access to livestock feed, trust and conciliation of different interests, investment in collection equipment, masculinisation of the sector, profitability.

The dairy innovation platform (APESS) says: Soulé of the ECOWAS Department of Agriculture and Rural Development says:

“Soulé of the ECOWAS Department of Agriculture and assist all initiatives for the development of local value chains. The ECOWAS local milk offensive is a step in this direction. It aims to unite, coordinate and assist all initiatives for the development of value chains for local milk. Bio Goura Soulé of the ECOWAS Department of Agriculture and Rural Development says: “The three types of company are not exclusive nor exhaustive, as multinational investment in large production facilities integrated within local value chains may also present an opportunity for development.” And Mr Soulé adds: “Promoting just one model would be like putting all your eggs in one basket.”

FOR MORE INFORMATION:

Hear what the Banfora mini-dairy, TIVISKI, Sodiaal and Kirène had to say during the webinar on IR’s website: https://bit.ly/3FvZZMt


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